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SUBJECT: Abu Dhabi Company Buys CMS Subsidiary

¶1. On February 6, CMS Energy (based in Jackson, Michigan) and the Abu Dhabi National Energy Company (TAQA) announced that Taqa would buy CMS' businesses in the Middle East, Africa, and India for \$900 million. CMS announced that the sale would accelerate its financial recovery and allow an increased focus on investments in its Michigan utility.

¶2. The subsidiary of CMS has six international assets, including two in Abu Dhabi: A 40% stake in the Taweelah A2 power generation facility and a 20% stake in the Shuwaihat S1 power generation facility. Taqa will also buy CMS Energy's stake in companies in Morocco, Saudi Arabia, Ghana, and India. Taqa has retained most of the CMS Energy staff seconded to the plants.

¶3. Taqa is an Abu Dhabi energy company established in 2005. The government of Abu Dhabi (through the Abu Dhabi Water and Electricity Authority) owns 51% of the company. An additional 24.1% of the company is allocated to the emirate owned "farm owners' fund." The rest is traded on the Abu Dhabi Stock Market. Taqa provides around 85% of the water and electricity consumed in the Emirate of Abu Dhabi and has been engaging in an ambitious program of international expansion, recently acquiring assets in the UK and the Netherlands.

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